



Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources

NEWS RELEASE

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FOR IMMEDIATE RELEASE

Health Insurance Alignment and Medicaid Expansion Legislation Signed Into Law

Denver – Gov. John Hickenlooper today signed legislation (HB 13-1266 and SB 13-200) that represent two key milestones for Colorado leading the country on implementation of the federal Affordable Care Act (ACA). These bills highlight the strides Colorado is making in pursuing the Governor's commitment to become the healthiest state.

House Bill 13-1266, Alignment of Health Insurance Laws

This bill, sponsored by Representatives Beth McCann and Bob Gardner and Senator Irene Aguilar, aligns Colorado health insurance laws with federal law, providing consumers, insurance carriers, agents, and other stakeholders with one set of health insurance rules. It also creates the regulatory environment to support Connect for Health Colorado (Colorado's health insurance exchange) in becoming a new marketplace for health insurance.

Jim Riesberg, Colorado Commissioner of Insurance, noted the work leading to this legislation. "This bill continues the collaborative efforts from the Legislature, the Blue Ribbon Commission on Health Care Reform, the Executive Branch, business groups, health care providers, insurance carriers and consumer advocates to increase enrollment, improve insurance offerings, and focus on cost containment and quality improvement."

Senate Bill 13-200, Expanding Medicaid Eligibility

This legislation, sponsored by Senator Irene Aguilar and House Speaker Mark Ferrandino, will expand Medicaid coverage for low-income Coloradans to up to 133 percent* of the Federal Poverty Level (FPL) beginning on January 1, 2014. The new eligibility standards will allow the state to cover an additional 160,000 adults. The expanded coverage will be financed through the hospital provider fee and enhanced federal matching funds made available through the ACA. The expansion of Medicaid coverage does not come at a cost to the State General Fund.

"Today is a historic day. We are moving forward with expanding coverage to low-income Coloradans," said Susan E. Birch, executive director of the Department of Health Care Policy

and Financing. "This expansion will allow more than 160,000 Coloradans to gain access to Medicaid. At the same time we're increasing access to health care, we're working hard to contain costs to deliver more value for every health care dollar spent."

One hundred thirty-three percent FPL is approximately;

- \$31,332 for a family of four, and
- \$15,282 for an individual.

*Federal poverty levels are adjusted each year so the above income limits will change. Federal law allows for a 5 percent income disregard so those earning up to 138 percent FPL may be eligible.

The full texts of Commissioner Riesberg and Director Birch's statements related to the signing of HB13-1266 and SB 13-200, are listed as separate documents below this media release.

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About the Colorado Department of Regulatory Agencies: DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission. For more information about the department, please visit <u>askdora.colorado.gov</u>.

About the Colorado Department of Health Care Policy and Financing: The department administers the Medicaid and Child Health Plan Plus programs as well as a variety of other programs for low-income Coloradans, families, children, pregnant women, the elderly and people with disabilities. The mission of the department is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources. For more information about the department, please visit Colorado.gov/hcpf.



COMMISSIONER OF INSURANCE JIM RIESBERG ON ALIGNMENT BILL SIGNING

FOR IMMEDIATE RELEASE

May 13, 2013

Media Contact: Vincent Plymell, vincent.plymell@state.co.us, 303-894-2261

Denver – Colorado Governor John Hickenlooper today signed legislation, House Bill 13-1266, that aligns Colorado health insurance laws with federal law, providing consumers, insurance carriers, agents, and other stakeholders with one set of health insurance rules. The legislation was sponsored by Representatives Beth McCann and Bob Gardner and Senator Irene Aguilar.

Below is a statement on the signing of HB13-1266 by Jim Riesberg, Colorado Commissioner of Insurance.

"In 2011 the Colorado Legislature took the lead and became one of a dozen or so states to create a State-Based Health Benefits Exchange to continue the work done by prior administrations and the 208 Commission. Because of the expertise of the staff in the DORA Division of Insurance the DOI took the lead to create legislation to align state and federal statutes, rules, and regulations so Coloradans could receive the most benefit from the on-going reform efforts. This presented an unprecedented opportunity to improve the health care of all Coloradans by changing the way they receive and pay for health care.

Getting to this point has been a collaborative effort. The Division, the Governor's office and Connect for Health Colorado staff spent hours learning the issues and creating solutions by attending meetings, participating in conference calls, reviewing thousands of pages of documents and hosting dozens of stakeholder meetings of hundreds of advocates, including business organizations, health insurance carriers, insurance producers, health care providers, consumers, and citizen advocacy groups to select the Essential Health Benefits benchmark and clear a pathway to increase enrollment, improve insurance offerings and focus on cost containment and quality improvement. Much of this extraordinary effort was led by Deputy Commissioner Peg Brown and Life/Health Supervisor Dayle Axman.

The bill allows Colorado to protect and preserve the tremendous coverage and cost benefits thousands of Coloradans have already received through the Patient Protection and Affordable Care Act, and only makes those changes required to align the two systems to:

- Streamline the rules and regulations
- Improve the consumer experience
- And level the playing field for health insurance carriers and for all the insurance products and plans sold both inside and outside of the exchange.

There is still a great deal of work to do and we will continue the collaborative effort to ensure consumer protection in a changing health insurance marketplace."

SUSAN E. BIRCH STATEMENT ON EXPANSION OF MEDICAID BILL SIGNING

FOR IMMEDIATE RELEASE

May 13, 2013

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DENVER – May 13, 2013 – Colorado Gov. John Hickenlooper signed legislation, SB 13-200, today that will expand Medicaid coverage for low-income Coloradans to up to 133 percent* of the Federal Poverty Level (FPL) beginning on January 1, 2014. This legislation was sponsored by Senator Irene Aguilar and House Speaker Mark Ferrandino. The new eligibility standards will allow the state to cover an additional 160,000 adults. The expanded coverage is financed through the hospital provider fee and enhanced federal matching funds.

Below is a statement on the signing of SB 13-200 by Susan E. Birch, executive director at the Department of Health Care Policy and Financing.

"Thank you Gov. John Hickenlooper for your leadership in health care reform; the legislation you are signing today will help us move towards making Colorado the healthiest state in the nation.

Today is a historic day. We are expanding coverage to low-income Coloradans. This expansion will allow more than 160,000 Coloradans to gain access to Medicaid. At the same time we're increasing access to health care, we're working hard to contain costs in the evolving Medicaid program. The goal we're reaching for is to deliver more value for every health care dollar spent.

Thank you to the wide group of stakeholders who supported expanding Medicaid coverage and worked diligently to make this legislation a reality. We had more than 90 organizations representing the business, education, provider, hospital and advocacy communities sign on to support the expansion of Medicaid to more low-income Coloradans.

I would like to give special thanks to Tish Barber, a wife, a mother, a taxpayer and an uninsured Coloradan from Montrose for sharing her moving story with the General Assembly as this legislation was being considered. Her kids are covered by Medicaid but she and her husband do not currently qualify for coverage. Since their family budget is stretched thin, Tish and her husband can't afford private insurance and have not been to see a doctor for years. Her story illustrates how this expansion will help many Coloradans like the Barbers gain access to preventive care and elevate their health status.

Over the past few years, we have learned about the importance of coverage. Having health insurance and appropriate public assistance has an enormous impact on one's health and well being. Increasing the number of insured through our Medicaid program will have a profound impact on the health of those individuals, the health of our state and will also benefit our economy.

Thank you."

^{*} Currently, 133 percent of the FPL is \$15,282 for an individual and \$31,332 for a family of four. Federal poverty levels are adjusted each year so the above income limits will change. Federal law allows for a 5 percent income disregard so those earning up to 138 percent FPL may be eligible.